

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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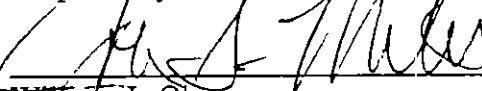
POSTAL RATE AND FEE CHANGES, 1997)

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY
Docket No. R97-1

NASHUA PHOTO INC., DISTRICT PHOTO INC.,
MYSTIC COLOR LAB, AND SEATTLE FILMWORKS, INC.
SECOND INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS
TO POSTAL SERVICE WITNESS THOMAS M. SHARKEY (NDMS/USPS-T33-20-24)
(August 8, 1997)

Pursuant to sections 25 and 26 of the Postal Rate Commission rules of practice, Nashua Photo Inc. (hereinafter "Nashua"), District Photo Inc. ("District"), Mystic Color Lab ("Mystic"), and Seattle FilmWorks, Inc. ("Seattle") (hereinafter collectively referred to as "NDMS"), proceeding jointly herein, hereby submit the following interrogatories and document production requests. If necessary, please redirect any interrogatory and/or request to a more appropriate Postal Service witness.

Respectfully submitted,



William J. Olson

John S. Miles

Alan Woll

William J. Olson, P.C.

8180 Greensboro Drive, Suite 1070

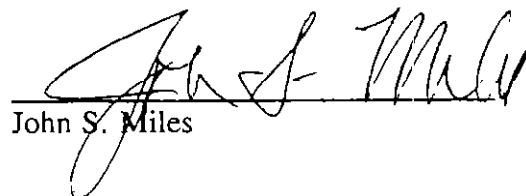
McLean, Virginia 22102-3823

(703) 356-5070

Counsel for Nashua Photo Inc., District Photo Inc.,
Mystic Color Lab, and Seattle FilmWorks, Inc.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served by hand delivery or mail the foregoing document upon all participants of record in this proceeding in accordance with Section 12 of the Rules of Practice.



John S. Miles

August 8, 1997

NDMS/USPS-T33-20.

Please refer to LR-H-114, Distribution of Priority Mail Volume into Delivery Method.

- a. Did you prepare, or participate in any way in the preparation of, LR-H-114?
- b. Unless your answer to preceding part (a) is an unqualified negative, please describe your role with respect to preparation and conduct of the study contained in LR-H-114.
- c. With respect to LR-H-114, are you sponsoring that study?
- d. Please indicate whether any other witness in this docket is sponsoring LR-H-114 into evidence.

NDMS/USPS-T33-21.

Please refer to LR-H-114.

- a. Was the study in this library reference performed in-house by Postal Service personnel, or by an outside consultant? If the latter, please identify.
- b. When was the study commenced, and when did it conclude?
- c. Aside from producing the output data contained in Attachment 9 of the study, please indicate the purpose of the study in terms of Priority Mail rate and classification design.

NDMS/USPS-T33-22.

Please refer to LR-H-114, Attachment 9, which consists of three pages containing the output data.

- a. Please provide a plain language interpretation of each SG_CODE at the top of each column on each page. (*e.g.*, 011, 012, etc.)

- b. Please indicate whether, where, and how you used the results of this study in your testimony concerning Priority Mail.
- c. (i) What is the maximum weight of the various types of Priority Mail pieces carried by city delivery carriers on their regular routes (distinguish between city delivery routes as necessary), and (ii) what is the weight above which Priority Mail pieces are given to parcel post carriers responsible for parcel delivery?
- d. For Priority Mail pieces that are too heavy or too large for a city carrier on a regular route, and that instead receive parcel delivery, what is the average delivery cost for such pieces?
- e. What is the maximum weight of Priority Mail pieces carried by rural carriers?

NDMS/USPS-T33-23.

The unit attributable base cost for delivery confirmation is \$0.148656 (USPS-T-22, Table 7 and USPS-33N), and the TY Priority Mail delivery confirmation cost base with contingency is \$9,982,571 (USPS-33N, line 18).

- a. Is the unit cost of delivery confirmation (\$0.148656) included in the net nontransportation cost per piece of \$2.233212 shown on line 13 of USPS-33N? If not, why was it excluded?
- b. Is the total cost of delivery confirmation included in the Total Attributable costs shown on line 1 of USPS-33N? If not, why not?

NDMS/USPS-T33-24.

USPS-33Q shows total highway transportation cost for Priority Mail (i) in Base Year of \$139,622 and (ii) in Test Year Before Rates of \$285,404, which represents an increase of 104 percent. Air transportation costs do not show any corresponding decrease. In fact, air transportation costs increase by 13 percent, from \$383,497 to \$433,661. Please explain all reasons for the disproportionate increase in highway transportation costs for Priority Mail.